### SESSION OF 2005

### SUPPLEMENTAL NOTE ON SENATE BILL NO. 87

# As Amended by Senate Committee on Ways and Means

# Brief\*

SB 87, as amended, would provide a new funding source for the Kansas Department of Wildlife and Parks and local units of government. The bill would add a \$4.00 annual outdoor recreation registration fee payable at the time of motor vehicle registrations or annual renewals for motorcycles, motorized bicycles, passenger vehicles, recreational vehicles, or regular trucks of 16,000 pounds or less, beginning January 1, 2006. The bill would apportion the \$4.00 collected as follows: \$0.80 (20 percent) to the Local Government Outdoor Recreation Grant Program Fund that would be established by the bill and \$3.20 (80 percent) to the Parks Fee Fund.

In addition, SB 87, as amended, would eliminate the current entrance permit fee at state parks and allow any motor vehicle of 16,000 pounds or less, including passenger cars and recreational vehicles, with Kansas registration to enter any state park free of charge. Out-of-state motor vehicles with non-Kansas registration would continue to pay a permit fee in order to gain admission to the state parks.

# Background

SB 87, as introduced, would have added a \$5.00 fee; provided for refunds from the Outdoor Recreation Registration Fee Refund Fund that would be established in order to facilitate payment of refunds on claim forms developed by the Secretary of Revenue; and would have allocated \$1.00 for local units and \$4.00 for the Parks Fee Fund, less any amounts required for refunds. The Department of Revenue provided an

<sup>\*</sup>Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org

administrative cost fiscal note of \$544,138 for one fiscal year and 7.0 FTE positions to process refunds.

Proponents for the bill as introduced included the Secretary of Wildlife and Parks, a member of the Kansas Wildlife and Parks Commission, a county commissioner, representatives of various local recreation commissions, parks user groups and other outdoor oriented groups, the Kansas Wildlife Federation, the Travel Industry Association of Kansas, the Kansas Chapter of the Sierra Club, and the Secretary of Revenue who suggested amendments to help reduce the administrative costs associated with refunds.

Opponents to the bill as introduced included representatives of the Unified Government of Wyandotte County/Kansas City Kansas Revenue/Treasury Department, the Kansas Camper's Association, the Kansas Contractors Association, League of Kansas Municipalities, Kansas Motor Carriers Association, Economic Lifelines, and Kansas Farm Bureau.

Neutral conferees included representatives of the Kansas County Treasurers Association and Kansas Association of Counties.

The Senate Ways and Means Committee amended the bill to eliminate the refund provision and reduced the new recreation fee from \$5.00 to \$4.00. The revised fiscal note for the bill as amended is contrasted with the estimated impact of the bill as introduced:

# **Summary of FY 2007 Fiscal Impact**

	As Introduced	As Amended	Difference
Revenues	\$ 10,919,745	\$ 8,735,796	\$ (2,183,949)
Less Refunds	(2,183,949)	0	2,183,949
Net New Revenue	8,735,796	8,735,796	0
Distribution:			
Parks Fee Fund	\$ 5,355,796	\$ 6,988,637	\$ 1,632,841
Dept. of Revenue	544,138	0	(544,138)
Local Grants	962,332	1,747,159	784,827

The Department of Wildlife and Parks calculates the impact on the Parks Fee Fund with the additional new revenue and the loss of entrance fees from residents as follows:

	As Introduced	As Amended	Difference
New Fee Revenue	\$ 5,355,796	\$ 6,988,637	\$ 1,632,841
Lost Fee Revenue	(3,380,000)	(3,380,000)	0
Net New Revenue	1,975,796	3,608,637	1,632,841